

Montana Guaranteed Student Loan Program

GSL ONLINE

Montana's premiere student loan publication

www.mgslp.state.mt.us (800) 537-7508

UPCOMING EVENTS AND HOLIDAYS:

- *MASFAA Conference:*
Apr. 14 – 16, Billings, MT
- *Presidents' Day:*
Feb 16

**Our Office Will Be Closed
on Presidents' Day**

**The Montana
Guaranteed Student
Loan Program
provides financial
access to
students pursuing
postsecondary
educational goals.**

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THE DIRECTOR'S DEN - REAUTHORIZATION

It's 2004 and this is the year for Reauthorization....or maybe not. Until it actually happens, we can only speculate about Reauthorization. Out of the confusion, however, are a few things that appear reasonably certain.

- The stronger the Democratic challenge for Presidency, the greater the likelihood of delaying Reauthorization. Put simply, if our next President is a Democrat, we're likely to see a delay to allow the new President time to put his fingerprint on Reauthorization. If no serious challenge is mounted, and especially if the Republicans gain any additional seats in the Senate, Reauthorization is quite probable for 2004.
- There's not enough money to make significant changes. Don't expect an increase to Pell. If loan limits increase at all, it'll be a small increase. Other changes will likely have minimal expense to the budget – things like changing the Single Holder Rule or providing expanded borrower repayment options.
- President Bush remains committed to programs such as "No Child Left Behind." There is increasing pressure to underwrite programs as early as preschool.

Regardless of when Reauthorization takes place, we'd do well to remember there are other very pressing issues for Congress to deal with. The overall budget, the war in Iraq, terrorism, homeland security, and the presidential elections are issues that Congress must consider in 2004. Only time will tell if Reauthorization also takes place this year.

Bruce Marks, Director

ONLINE PLUS MPN NOW AVAILABLE

MGSLP is proud to announce implementation of a new online product, FASTPLUS™, available to all Montana schools in February 2004. FASTPLUS is a secure, school-based, online Parental Loan for Undergraduate Students, master promissory note, with both electronic and paper signature options. FASTPLUS is very similar to the online Stafford MPN product FASTLoans™, used by most Montana schools. As in FASTLoans a

borrower will access the promissory note through the student's school's website, schools provide their preferred lender lists, borrowers can sign electronically with their FAFSA PIN or print locally or request a paper MPN be mailed to them for his or her signature. MGSLP will be contacting schools in February to discuss school interest, set up and training. If schools have any questions they can contact Carie Kelly of MGSLP Technical Support at 1-800-537-7508.

DEFAULT PREVENTION UPDATE

MGSLP will be hosting the first ever "Dinner & a Deferment" session February 26, 2004 on the Montana Tech campus in Butte. That evening borrowers will be able to meet face-to-face with our counseling staff in order to find a way to successfully manage repayment of their student loans. Counselors will be assisting borrowers with student loan deferment, forbearance, alternate repayment schedules, consolidation issues, and general financial management. A representative from Consumer Credit Counseling of Montana will also be available for anyone wishing to receive additional help with budgeting or severe financial problems. We will be providing pizza and all the fixings for dinner. Special thanks to Shauna Savage at Montana Tech for assisting with the preparations for this event.

MGSLP OFFERS TRAINING TO SCHOOLS ON COHORT DEFAULT RATE DATA

Draft FY2002 cohort default rates will be released on February 17, 2004. Schools interested in evaluating their data and needing assistance in data correction can contact MGSLP. The training will consist of an overview of the Cohort Default Rate Guide and a how-to session on correcting data errors on NSLDS. To request training or receive additional information on this training opportunity please contact Sandy Bauman at 406-444-3243.

ESSAY CONTEST

This year, 2003-04, marks the fifth annual MGSLP sponsored essay contest for middle and high school students in the GEAR UP target areas. Each year, an increasing number of students have written their response to questions, such as: *Who is your hero? Why is education important? What is the meaning of the following quote?*

Last year we reached an all-time high of nearly 2,000 essays submitted with 158 students receiving a \$250 college savings account for their award winning work. The winning essays are published in a book that is distributed statewide to elected officials, professional associations and the students, themselves.

MGSLP is a key parent in GEAR UP (Gaining Early Awareness and Readiness for Undergraduate Programs), a grant from the Department of Education administered through Montana's Office of Higher Education. GEAR UP works to create an environment where *all* students have the expectation that higher education is possible. The essay contest supports these students' efforts by recognizing them for their academic abilities and providing financial assistance with the college savings accounts.

MGSLP FISCAL YEAR AUDIT REPORT

MGSLP is pleased to report that our accounting staff again received an unqualified opinion from the Montana Legislative Auditors during their recent audit of the fiscal year ended June 30, 2003.

As of that date, MGSLP managed an outstanding student loan guarantee portfolio of \$796 million. (As of December 31, 2003, our portfolio stands at approximately \$930 million.) MGSLP's overall default rate for the federal fiscal year ending September 30, 2003 was 1.78%.

To receive a copy of MGSLP's audited financial statements, please contact Karen Wing, Fiscal Manager, at 406-444-0360 or kwing@mgslp.state.mt.us.



DEPENDENT FEE WAIVER

For the spouse or dependent child of a Montana University System employee who desires to attend one of the units of the university system, the Montana Board of Regents recently made it easier and cheaper. MUS staff who have been employed $\frac{3}{4}$ time for at least five consecutive years are eligible for a dependent fee waiver benefit. With this benefit, fifty-percent of the cost of tuition is waived for an employee's spouse, or child who is 25 years of age or younger. There is no limitation on the number of credits that may be taken per semester and the waiver benefit can be used to obtain only one baccalaureate degree. Implementation of the fee waiver is still in the planning phase.

FOCUS ON FINANCIAL AID FOLKS



Ron Muffick, Client Services Supervisor

Beginning with this issue, MGSLP plans to feature individuals who work in the arena of financial aid and student loans. These folks are truly heroes when it comes to improving access to post-secondary education and their efforts deserve to be noticed. The first featured employee is our very own Ron Muffick, our newly promoted Client Services Manager.

Ron was born and raised in Helena, Montana. He first came to MGSLP in October of 1992. He worked in collections until 1997 when he left for a brief stint with Public Health. In November of 1998, Ron returned as Compliance Officer with GSL and remained in that capacity until his recent promotion. Ron received his associate degree from North Idaho Community College and has a BA in Business Management from Whitworth College. When Ron isn't spending time with his 4-year old daughter, Kristen, he can be found hunting and enjoying the great outdoors.

Favorite Quote: "Seeing through the game is not the same as winning the game."